



2022

CORPORATE SOCIAL RESPONSIBILITY REPORT



ANDREW S. HOWELL
President & CEO

About FHLB Cincinnati

The Federal Home Loan Bank of Cincinnati is a regional wholesale bank providing financial services for residential housing and economic development to member-stockholders in the FHLB System's Fifth District of Kentucky, Ohio and Tennessee. Eligible stockholders include banks, thrifts, credit unions, insurance companies and community development financial institutions. We are one of 11 Federal Home Loan Banks nationwide, a system created by Congress in 1932 to support housing finance.



Our Corporate Social Responsibility Report digs into the core of the Bank and our employees—exploring how we have, over the course of the last year, strengthened our relationships with our members, communities and ultimately, with one another.

Although 2021 had its share of challenges, FHLB Cincinnati remained dedicated to extending our help throughout our community — whether through our community outreach or our housing programs. Our employees volunteered with local organizations, packed kits of hygiene supplies for a local high school and donated financial resources to the causes they care about most.

We also looked at the difference our members make in their own communities through our inaugural Community Partnership Awards program. Through this effort, we sent grants along to four nonprofits that our members were deeply involved with to help amplify the impact they are having in their own communities.

We remained steadfast in our commitment to diversity, equity and inclusion, offering regular programming that brought employees and others together for meaningful conversations about how we can improve in our efforts to become more equitable and learn more about one another.

This year, we also looked at what our purpose is as an organization. Not what we do or who we are, but why we exist. By understanding that purpose, “Our team changes lives by building economic confidence and resilient, inclusive communities,” we hope our employees and others will be able to better connect with our FHLB.

I am inspired by the progress the FHLB team has made in Corporate Social Responsibility Report and the ways we have built together with our members and communities. I hope you enjoy this Corporate Social Responsibility Report.

Mission

Provide our member-stockholders with financial services and a competitive return on their capital investment to help them facilitate and expand housing finance and community investment and achieve their objectives for liquidity and asset liability management.

Purpose

Our team changes lives by building economic confidence and resilient, inclusive communities.

Vision

Be a vital partner helping members achieve business success and enhance communities.

Core Values

The FHLB's Core Values help guide our employees as they work to achieve our Mission and Vision.



Community Outreach

Alongside the 10 percent of profits we set aside for affordable housing, FHLB employees also support their local communities and give back to organizations that matter to them.

Charitable Giving Campaigns

Throughout the year, FHLB Cincinnati runs two charitable giving campaigns that benefit local organizations:

ARTSWAVE
\$3,625

ArtsWave, benefitting over 150 projects and cultural organizations that connect Cincinnati through the arts

UNITED WAY
\$39,861

United Way of Greater Cincinnati, which focuses on supporting the building blocks of economic mobility in our community.

2021 STATS



Employee Build

Beyond charitable giving campaigns, FHLB Cincinnati employees volunteer with organizations locally. In 2021 Employees participated in an employee homebuilding event with Yellow Springs Home Inc. which is a previous recipient of Affordable Housing Program funds. The group spent the day building and placing storage sheds for new homes nearing construction completion.



“FHLB’s corporate outreach initiatives allow the Bank to make a positive impact for many households who are struggling to meet every day needs. As an employee of FHLB, it is heartening to know that we can lend families a hand when they need help most.”

- Judy Rose, AVP, Relationship Manager.

Corporate Outreach

FHLB’s Corporate Outreach Program makes donations each year to make a difference in four core areas: **wellness, education, affordable housing** and **economic development**. Check out some of this year’s donations:



\$15,000 sponsorship of the Heart Mini Marathon to benefit the American Heart Association. Employees were also encouraged to take part in the event through virtual fitness classes and discounted registration fees.

\$10,000

donation to the Kentucky Bankers Association Relief Fund to assist rebuilding in Kentucky after devastating tornadoes in December.

\$2,500 was spent to replenish hygiene kits for students at Withrow University High School in Cincinnati. Employees at the Bank volunteered to pack the individual kits so they could easily be distributed to students in need.



\$5,000 donation to the Samaritan Car Care Clinic. The Samaritan Car Clinic provides routine and other vehicle maintenance to those who cannot afford it. FHLB employees regularly volunteer with this organization to provide maintenance help.

\$2,500 donation to the Dan Beard Council of the Boy Scouts of America’s Annual Good Scout Award Luncheon.



\$2,500 sponsorship of Cincinnati Habitat’s Rock the Block event. In addition to the sponsorship, FHLB Cincinnati employees also volunteered for the event in both Cincinnati and Northern Kentucky.

\$2,200 was spent to finish purchasing items for the Bank’s Wish Tree which provided holiday gifts to children, families and seniors in need. Employees also participated in the program by purchasing gifts.



\$1,500 donation to Adopt A Class to benefit our adopted first-grade classroom at Rockdale Elementary. These funds were used to support summer enrichment programs for all of the students.

Diversity, Equity and Inclusion

FHLB Cincinnati's commitment to diversity and inclusion helps create a culture internally that promotes equality, provides opportunities and incentives to unlock the full potential of our diverse workforce and helps us recruit, hire, develop and retain talented employees and suppliers that allow us to do our best work.

Diversity and Inclusion Training

Diversity and Inclusion training spanned all levels of the Bank in 2021 from our Board to our employees. Employees engaged with inclusion training consultant Priya Klocek as she led groups through a series of brave conversations about their experiences as it related to respect and belonging. Priya Klocek also spoke to the FHLB's Board of Directors on the importance of diversity and inclusion, which helped to introduce FHLB's new leadership pillar of Inclusive Leadership.



Women Connected

FHLB's employee resource group, Women Connected, provided unique professional development opportunities in 2021—including hearing from the women on our Board of Directors. Employees had the opportunity to listen to a Zoom panel featuring Directors April Miller Boise, Kristin Darby, Kathy Rogers and Nancy Uridil and learn more in writing from Board Chair Lynn Anderson as she answered questions for the employee intranet. Women Connected also partnered with Gild Collective to present sessions focused on the issues most concerning women in the workplace including career planning and burnout.



PwC CEO Action Pledge and Diversity Inc.

We continued our partnerships with the PwC CEO Action Pledge and Diversity Inc. to support a more inclusive workplace.



Lunch and Learns

FHLB's OMWI department hosted Lunch and Learns in 2021 to provide background into the four key areas of ethnic and racial disparities in the community—education, housing, economic and health and how they are interrelated. Employees bankwide attended these discussions to learn more about how to get involved and work towards eliminating the systemic causes of racism. To finish out the year, the OMWI department also hosted a Lunch and Learn on LGBTQIA+ Awareness. Employees spoke to the group as part of a larger conversation about the lived experiences of lesbian, gay, bisexual, transgender and queer people.

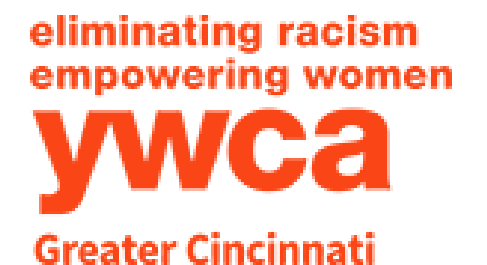


Dress for Success

In 2021, our Corporate Outreach Program and OMWI group donated \$10,000 to support Dress for Success, a non-profit that provides career clothing, career help and job assistance to women in Cincinnati and Northern Kentucky. These funds were used to build an accessible dressing room in the new Dress for Success facility. Later in the year, employees participated in a clothing drive sponsored by our employee resource group, Women Connected, which resulted in a car full of donations!

YWCA Events

FHLB Cincinnati once again sponsored the YWCA Racial Justice Breakfast and followed it up in 2021 by encouraging employees to participate in the 21-Day Racial Equity and Social Justice Challenge. The challenge looked to guide participants in discovering how racial and social injustice impact the community and create dedicated time and space to build more effective social justice habits.



Diverse Suppliers

FHLB remained committed to hiring diverse suppliers in 2021. The Bank moved to a centralized procurement team responsible for managing diverse suppliers and implemented a technology solution to help the program continue to develop. To help source diverse suppliers for purchasing opportunities, FHLB joined the Women's Business Enterprise National Council, Inc. (WBENC). The membership expands the resources available when searching for diverse suppliers.



“Working for a company that takes diversity, equity and inclusion to heart is a priority for me. I'm so glad to have found that at FHLB Cincinnati. The Bank works everyday to help foster an environment of respect and inclusion through training, education and providing opportunities to make meaningful connections with colleagues. But they don't stop there--the FHLB develops policies, procedures and best practices focused on creating a more diverse, equitable and inclusive workforce.”

— Laura Gaffin, Communications Officer

COMMUNITY PARTNERSHIP AWARDS

FHLB Cincinnati is focused on building stronger communities in all we do. New this year, FHLB's Community Partnership Awards looked to amplify the work members are doing to strengthen their own communities. The program awarded four FHLB Cincinnati member institutions a \$5,000 grant to benefit a nonprofit organization or community initiative in which they played an active role.

The grants were used to support one or more four core focus areas: affordable housing, economic development, education and wellness. Recipients were selected based on the need of the community; FHLB member role and involvement; uniqueness and creativity; sustainability; diversity, equity and inclusion; and community partnerships.



HABITAT FOR HUMANITY OF HENDERSON, KY and Independence Bank

Independence Bank's Community Partnership Award will benefit the Habitat for Humanity of Henderson, KY to expand their longstanding partnership. The grant will directly benefit the Henderson community, supporting programs such as Habitat's Voucher Program and this year's new American Flag Fundraiser. As a cornerstone of the Henderson community, Habitat has been around for 31 years and their partnership with Independence Bank has existed just as long. Independence Bank regularly volunteers with Habitat and provides financial support.



“I see the financial institutions we serve making a difference in their communities every day. Through their businesses, they help create vibrant places to live while still being the boots on the ground building with Habitat, sponsoring a Little League team or organizing community events. Our Community Partnership Awards allow us to recognize these efforts and amplify their impact with important funds.”

— Kevin Hanrahan, FVP, Marketing



CINCINNATI SCHOLAR HOUSE and Huntington National Bank

In Cincinnati, Huntington National Bank and HER (Housing, Education and Recovery) Cincinnati received an award for their work at HER's Cincinnati Scholar House. The \$5,000 grant will support programming at the affordable housing community designed to provide stable living and learning environments for low-income single parents and their dependent children while the parent attends post-secondary classes. Cincinnati Scholar House supports parents in achieving full-time employment and economic stability, helping break the cycle of poverty two generations at a time. Huntington's commitment to the Scholar House through volunteer efforts and crucial funding helps the community thrive.

APPALACHIA SERVICE PROJECT and Bank of Tennessee

The Bank of Tennessee's award will expand what they do with the Appalachia Service Project's New Build Program, which serves families who have found themselves victims of natural disasters and whose homes are well beyond repair. The program provides newly built homes debt-free to families, allowing them to have safe, decent housing without a financial burden. The initiative is dependent on support — both financial and volunteer — to succeed. Their partnership has netted nearly 115 newly constructed homes in Tennessee, all of which help serve low-income populations, and many of which are funded in part through FHLB Cincinnati's housing programs.



FAMILY SCHOLAR HOUSE OF LOUISVILLE and Fifth Third Bank

Fifth Third Bank, the final Community Partnership Award recipient, received the grant to benefit the Family Scholar House of Louisville, KY. Family Scholar House serves single parents pursuing postsecondary education, providing extensive wrap-around services including academic and career coaches, family advocates, and a health and wellness coach among a variety of other programs and services. With this grant, they hope to expand their services across the Louisville community. Fifth Third regularly volunteers time and resources to support the Family Scholar House.

HOUSING

FHLB plays a vital role in supporting affordable housing and economic development initiatives throughout our Fifth District states of Kentucky, Ohio and Tennessee. We offer a range of flexible programs to help our member financial institutions and housing partners build stronger communities.

Affordable Housing Program

Our Affordable Housing Program (AHP) has helped build inclusive communities throughout the Fifth District and beyond since its inception in 1990. The program is a cornerstone of FHLB, with 10 percent of earnings designated toward affordable housing efforts.

The efforts are vast and diverse. Our most popular program, Welcome Home, pairs our members with homebuyers to help them achieve the sometimes arduous goal of owning a home. The program provides \$5,000 in down payment assistance to low- to moderate-income homebuyers who are often purchasing their first home. Active duty military and veterans are eligible for \$7,500 in grant assistance.

Other FHLB housing programs include the Community Investment Program, Economic Development Program and Zero Interest Fund. The overall impact of AHP can be seen in a recently reached milestone decades in the making — 100,000 units of housing funded with help from AHP. Since the program began, AHP has invested \$827 million to help create 102,000 units of affordable housing. In 2021 alone, FHLB awarded \$35 million in grants for the creation or preservation of affordable housing through the AHP. See below and the following page to learn more about some of the organizations that have helped create these 100,000 homes.

Habitat for Humanity of Greater Nashville



Nashville Habitat for Humanity President and CEO Danny Herron and Lucile Houseworth, also of Nashville Habitat, celebrate the more than 700 units of housing they have created with help from AHP funds.

Total AHP funds used since 1990: \$6,709,896

Total housing units created since 1990: 703

Members:
Pinnacle Financial Partners

VOLUNTARY PROGRAMS

Our voluntary programs further demonstrate our commitment to housing and community investment. These programs help communities thrive when facing difficult times.

The Carol M. Peterson Housing Fund provides up to \$7,500 per homeowner to assist elderly and disabled individuals with accessibility rehab or emergency repairs to their homes. Emergency repairs may include repairing a roof or replacing an air conditioning unit. Accessibility modifications often include building ramps for easier entry to homes and installing showers or baths that are easy to step into. In 2021, \$1 million was disbursed through members and their affordable housing partners to assist 145 households. These funds help Fifth District individuals stay in their homes while ensuring they may do so safely.

The Disaster Reconstruction Program is another voluntary program provided by FHLB. The program helps Fifth District families whose homes were damaged or destroyed by natural disasters. Homeowners in declared disaster areas can utilize \$20,000 to help repair or rebuild homes, and displaced renters can qualify for \$5,000 toward the purchase of a home. Since inception, the FHLB has disbursed more than \$6 million to assist 495 household reestablish housing through this fund.

Talbert Services Inc.



Talbert House and Fifth Third Bank join FHLB CEO Andy Howell and other partners at the Logan Towers ribbon cutting in Cincinnati. The renovated building offers 63 units of housing.

Total AHP funds used since 1990: \$3,384,148

Total housing units created since 1990: 230

MEMBERS:
RiverHills Bank
Fifth Third Bank
Heritage Bank
General Electric Credit Union

Miami Valley Housing Opportunities Inc.



Debbie Watts Robinson of Miami Valley Housing Opportunities and the FHLB's Melissa Dallas celebrate Miami Valley Housing Opportunities' role in helping the AHP reach 100,000 units supported.

Total AHP funds used since 1990: \$4,994,280

Total housing units created since 1990: 290

Members:
KeyBank
Huntington National Bank
Civista Bank
Ohio Capital Finance Corporation
U.S. Bank



“Housing is a fundamental need that many people do not have. Our housing programs aid communities by helping make home ownership possible for low-income households, changing the trajectory of their lives and their families. Communities thrive when there are people and resources investing in them.”

— Cassandra Larcarte, Compliance and Outreach Assistant Manager.



221 East Fourth Street
600 Atrium Two
Cincinnati, Ohio 45202

T (513) 852-7500
www.fhlbcin.com

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